

**STATE TAX COMMISSION
SPECIAL ITEMS AGENDA
December 17, 2019 Meeting**

Property Tax Exemption Section Items

EXEMPTION PROGRAM	CERTIFICATE NUMBER	COMPANY NAME	LOCAL UNIT	COUNTY	REASON	REQUESTED ACTION
PA 198 of 1974	2018-171	K&K WHSE LLC	City of Menominee	Menominee	Staff has reviewed the Industrial Facilities Exemption application and it has been determined that the applicant does not qualify because they were not engaging in any of the activities included within the definition of industrial property. Specifically, the applicant will not be occupying the facility and the facility will be used by another entity which is not related to or under the same ownership as a manufacturing operation. The tenant that will be occupying the facility and engaging in an industrial activity doesn't have taxable liability.	The Department of Treasury is requesting denial of the application for industrial facilities certificate numbered 2018-171 based on the applicant not being a qualifying business as outlined in MCL 207.552.
PA 198 of 1974	2019-073	K&K WHSE LLC	City of Menominee	Menominee	Staff has reviewed the Industrial Facilities Exemption application and it has been determined that the applicant does not qualify because they were not engaging in any of the activities included within the definition of industrial property. Specifically, the applicant will not be occupying the facility and the facility will be used by another entity which is not related to or under the same ownership as a manufacturing operation. The tenant that will be occupying the facility and engaging in an industrial activity doesn't have taxable liability.	The Department of Treasury is requesting denial of the application for industrial facilities certificate numbered 2019-073 based on the applicant not being a qualifying business as outlined in MCL 207.552.

PA 198 of 1974	2018-160	Dutchboy Auto Restoration	Village of Vicksburg	Kalamazoo	Staff has reviewed the Industrial Facilities Exemption application and it has been determined that the applicant does not qualify for the exemption because it does not engage in any activities listed within the definition of industrial property as outlined in MCL 207.552(7). The primary use of the facility is the restoration of classic vehicles.	The Department of Treasury is requesting denial of the application for industrial facilities certificate numbered 2018-160, as the primary use of the facility is the restoration of classic cars.
PA 198 of 1974	2019-063	Cooperative Elevator Co.	Oliver Township	Huron	Staff has reviewed the Industrial Facilities Exemption application and it has been determined that application submission is untimely due to when the commencement of the project began and the date the application was filed with the local governmental unit. The application submission included a building permit that stated that the project commenced on August 15, 2018 and the application was filed with Oliver Township on May 1, 2019. After further review, based on MCL 207.559 (2)(c) "For applications made after December 31, 1983, the commencement of the restoration, replacement, or construction of the facility occurred not earlier than 6 months before the filing of the application for the industrial facilities exemption certificate." The application submitted on behalf of Cooperative Elevator Co. doesn't meet the filing requirements.	The Department of Treasury is requesting denial of the application for industrial facilities certificate numbered 2019-063, as the application submission is untimely due to the commencement of the construction beginning more than 6 months before the filing of the application.
PA 198 of 1974	2019-137	IEE Sensing, Inc.	City of Auburn Hills	Oakland	Staff has reviewed the Industrial Facilities Exemption application and it has been determined that the application doesn't meet the definition of a speculative building. A speculative building designation is approved by the local governmental unit for a developer to build a building without a tenant in mind and once the first tenant takes occupancy, they have the option to apply for the exemption certificate for the building construction	The Department of Treasury is requesting denial of the application for industrial facilities certificate numbered 2019-137 because the application submission is untimely due to the facility no longer qualifies as a speculative building.

					investment costs. The building will no longer qualify as a speculative building for future tenants once the first tenant takes occupancy. The application submitted on behalf of IEE Sensing, Inc doesn't meet the filing requirements for a speculative building. The building has already been occupied by a user before the submission of application numbered 2019-17.	
PA 146 of 2000	3-19-0032	Karl and Heather Hanover	City of St. Johns	Clinton	Staff has reviewed the application and found that Commencement of the rehabilitation occurred prior to the establishment of the district. The City acknowledged this in the resolution approving the application, but also stated that the scope of the project changed since rehabilitation commenced. The applicant stated that they did commence construction before the district was established but discovered that much more work would have to be done on the building than they had originally anticipated.	The Department of Treasury is requesting denial of the application for the obsolete property rehabilitation certificate if the State Tax Commission finds that construction commenced prior to the establishment of the district.
PA 146 of 2000	3-19-0040	4405P, LLC	City of Detroit	Wayne	Staff has reviewed the application and found that the building permit was issued prior to the establishment of the district. The building permit was issued on April 12, 2019, and the district was established on June 25, 2019. The applicant stated that the building was leased through June 30, 2019 and the construction did not commence until after the establishment of the district.	The Department of Treasury is requesting denial of the application for the obsolete property rehabilitation certificate if the State Tax Commission finds that construction commenced prior to the establishment of the district.
PA 210 of 2005	C2019-026	Epiphany Detroit LLC	City of Detroit	Wayne	Staff has reviewed the application and found that the building permit was more than six months before the application was filed. The building permit was issued on August 9, 2017, and the application was received on February 28, 2019. The applicant stated a 24-hour guard space had to be created, so some of the permits were pulled early.	The Department of Treasury is requesting denial of the application for the commercial rehabilitation certificate if the State Tax Commission finds that construction commenced more than six months before the application was filed.